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Counsel for Plaintiff Michael Kors, L.L.C.

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
MICHAEL KORS, L.L.C.,

Plaintiff,

-against-

GAN TRADING INC.,

Defendant.
-----X

Civil Action No.

15 CV 07933 (TPG)

**DECLARATION OF HEATHER McDONALD IN SUPPORT OF MOTION OF
PLAINTIFF MICHAEL KORS, L.L.C. FOR AN ORDER, PURSUANT TO
FED. R. CIV. P. 55, DIRECTING THE ENTRY OF A DEFAULT JUDGMENT
AGAINST DEFENDANT GAN TRADING INC.**

I, HEATHER McDONALD, declare under penalty of perjury that the foregoing is true and correct:

1. I am a member in good standing of the bar of this court and a partner of the law firm of Baker & Hostetler, LLP, which maintains offices at 45 Rockefeller Plaza, 14th Floor, New York, New York 10111, counsel to Plaintiff Michael Kors, L.L.C. (the “Plaintiff” or “MK”).

2. I submit this declaration in support of the Plaintiff's motion for an order entering default judgment against defendant GAN Trading Inc. (the "Defendant").

3. On October 7, 2015, the Plaintiff commenced this action by filing a complaint in this Court (the "Complaint"), a copy of which is annexed hereto as Exhibit A. The Plaintiff seeks to recover \$1,000,000 plus an award of attorneys' fees and costs for trademark counterfeiting and infringement among other causes of action (the "Judgment Amount").

4. On October 8, 2015, the Clerk of this Court issued a summons to the Defendant to appear in this action and answer the Complaint (the "Summons") which appears on the docket of this action as Docket No. 7.

5. On October 14, 2015, in accordance with FRCP 4, the Summons and Complaint were served upon the Defendant by personal service to, Lisa Pan, a person authorized to accept service on behalf of the Defendant at 110 West 30th Street, New York, New York.

6. On January 15, 2016, the affidavit of service attesting to the proper service of the Summons and Complaint upon the Defendant was filed with this Court and appears on the docket of this action as Docket No. 14.

7. The Defendant is not an infant, in the military or an incompetent person.

8. Pursuant to the Summons, the Defendant was required to file an answer or motion in response to the Complaint within 21 days after service of the Summons. Though the Defendant filed an answer on October 22, 2015, the Defendant has failed to adequately participate in discovery or otherwise defend this action.

9. On August 10, 2016, the Defendant's counsel moved to withdraw, in part, because the Defendant refuses to further participate in or defend this action as further explained by that motion which appears on the docket of this action at Docket Nos. 20 & 21.

10. On August 25, 2016, the Court entered an order granting opposing counsel's motion to withdraw and ordering the Defendant to obtain new counsel and file a notice of appearance by September 30, 2016, a copy of which appears at Docket No. 24 (the "Withdrawal Order").

11. The Defendant failed to file a notice of appearance for new counsel by September 30, 2016 or otherwise defend this action. Thus, the Defendant has defaulted on its obligation to appear per the Withdrawal Order and defend this action.

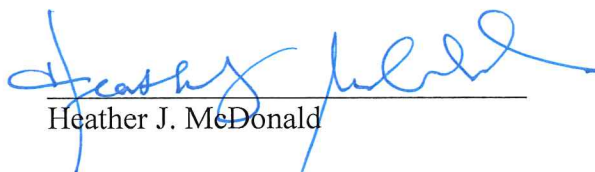
12. Upon the request of the Plaintiff, the Clerk of this Court certified and entered the Defendant's default in this case on October 12, 2016, which appears on the docket of this action as Docket No. 27, and a copy of which is annexed hereto as Exhibit B.

13. At this time, the Plaintiff is seeking the immediate entry of a judgment against the Defendant in the amount of \$1,000,000 plus an award of attorneys' fees and costs.

14. The Plaintiff requests at least \$1,000,000 per counterfeit mark per type of good. Here, the Plaintiff has evidence of one type of good: medallions using a counterfeit MK trademark to be affixed to handbags or wallets. This type of good features only one counterfeit mark: the MK trademark. Therefore, the Plaintiff requests damages of \$1,000,000 plus an award of attorneys' fees and costs.

15. The calculation of damages is true and correct to the best of my knowledge, information and belief.

Date: October 13, 2016
New York, New York


Heather J. McDonald